

EXECUTIVE SECRETARIAT ROUTING SLIP

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Remarks

Executive Secretary

10/19/82
Date

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Subj.



EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D.C. 20503

Executive Registry

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FILE: 100-12

MEMORANDUM TO HEADS OF EXECUTIVE AGENCIES AND DEPARTMENTS

FROM: Joseph R. Wright, Jr.

SUBJECT: Procurement Reform Pursuant to Executive Order 12352

Executive Order 12352, Federal Procurement Reforms, March 17, 1982, requires that executive agencies and departments initiate specific procurement reforms to ensure effective and efficient spending of public funds. One of the key elements of the Executive Order is the requirement to designate a qualified Procurement Executive in each agency and department. The appointment, chartering and proper organizational placement of the Procurement Executive are essential to accomplishing the procurement reforms envisioned by the President.

The Comptroller General recently reviewed the actions taken by agencies and departments to appoint and charter Procurement Executives and to achieve the other mandates specified in the Executive Order. A copy of the Comptroller General's report (Attachment 1) is attached for your information. The report indicates a lack of commitment by agency heads to procurement reform, and it recommends that the Office of Management and Budget ensure that high level managers in the executive branch are aware of their responsibilities to:

- Establish a procurement management structure throughout the agency which provides for accountability and responsibility;
- Dedicate time and resources to designing reform guidance;
- Adopt the substance of reform guidance being issued under the Executive order; and
- Review the effectiveness of agency implementation.

The purpose of this memorandum is to bring the GAO's findings to your attention and to request that you take actions, where applicable, to correct the concerns noted in the report. In addition, your personal involvement is requested to ensure that: (1) all Procurement Executives are charged with the authority, responsibility and accountability in line with the attached model charter (Attachment 2); and (2) the procurement reform initiatives now being developed under the Executive Committee on Federal Procurement Reforms are implemented, wherever applicable, within your agencies and departments. Copies of the following four reform initiatives are attached (Attachments 3 through 6):

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- Simplification of solicitations and contracts;
- Simplification of uniform contract formats;
- Letter RFPs for non-competitive procurements; and
- Annual representations and certifications.

These initiatives should be reviewed carefully and applied, wherever appropriate, within your respective agencies and departments. Many of the changes proposed by the initiatives can be implemented (either wholly or partially) by administrative action. Those changes that require regulatory amendments before they can be implemented will be referred to the three major regulatory agencies (DOD, GSA, and NASA). The initiatives requiring legislative changes will be considered for inclusion in the Administration's legislative program.

The attached initiatives, as well as many that will be forwarded in the future, have been tested by the Department of the Air Force. Information about the test results may be obtained by contacting Colonel Ken Meyers, Directorate of Contracting and Manufacturing Policy, Headquarters, Department of the Air Force, at (202) 697-7807. Questions about the overall procurement reform program and the Executive Committee's efforts may be directed to Don Sowle, Administrator for Federal Procurement Policy, Office of Management and Budget, at 395-5802.

Procurement reform is essential to our overall Reform '88 effort, and your assistance is requested in assuring the full and proper implementation of Executive Order 12352.

6 Attachments

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